

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-141
Revised October 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit 2 Copies to appropriate
District Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

OPERATOR

Initial Report Final Report

Name of Company	Texland Petroleum-Hobbs, LLC	Contact	Vickie Smith/ Jerry Rodgers
Address	777 Main Street, Suite 3200, Fort Worth, TX 76102	Telephone No.	817-336-2751/806-781-3396
Facility Name	Shelton #1	Facility Type	active drilling location

Surface Owner	Clayton Hughes/Isaak Bos	Mineral Owner	FEE	Lease No.	Fee
---------------	--------------------------	---------------	-----	-----------	-----

LOCATION OF RELEASE AP # 30025384350000

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
F	29	16S	38E	1340	North	1872	West	Lea

Latitude _____ Longitude _____

NATURE OF RELEASE

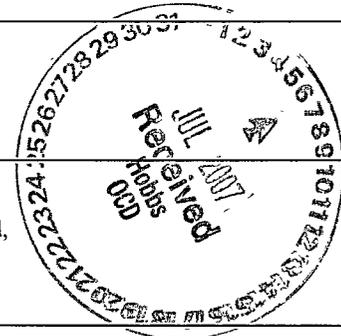
Type of Release	Brine water	Volume of Release	10 bbls	Volume Recovered	0 bbls
Source of Release	working pit	Date and Hour of Occurrence	1:00 am 6/27/07	Date and Hour of Discovery	1:00 am 6/27/07
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?		Date and Hour			
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			

NTR 70'

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

Rig crew left centrifugal pmp running unmanaged causing the working pit to overflow into surrounding corn field, Pmp was turned off; water was absorbed by soil and has since dried.
NOTE: Texland Petroleum-Hobbs was not notified of the incident until 12:00 noon 6/30/07



Describe Area Affected and Cleanup Action Taken.*

An Approx 30' half circle of the farmer's corn field was affected, south side of location.
The top soil will be excavated as soon as possible by a dozer until a soil sample shows the contaminated soil had been removed.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature:	<i>Vickie Smith</i>	OIL CONSERVATION DIVISION	
Printed Name:	Vickie Smith	Approved by District Supervisor:	<i>[Signature]</i>
Title:	Production Analyst	Approval Date:	7.6.07
E-mail Address:	vsmith@texpetro.com	Expiration Date:	9.10.07
Date:	7/3/07	Phone:	817-336-2751
		Conditions of Approval:	Attached <input type="checkbox"/>
SUBMITAL OF FINAL C-141 BY w/ DOCUMENTATION ATTACHED			

* Attach Additional Sheets If Necessary

RP# 1478